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## BEFORE THE ARIZONA CORPORATION CO

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IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY,  
AN ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS  
RATES AND CHARGES BASED THEREON  
FOR UTILITY SERVICE BY ITS ANTHEM  
WATER DISTRICT AND ITS SUN CITY  
WATER DISTRICT.

Docket No. W-01303A-09-0343

ORIGINAL

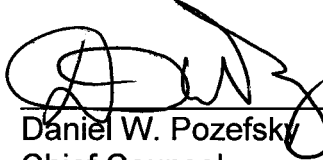
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FOR UTILITY SERVICE BY ITS  
ANTHEM/AGUA FRIA WASTEWATER  
DISTRICT, ITS SUN CITY WASTEWATER  
DISTRICT AND ITS SUN CITY WEST  
WASTEWATER DISTRICT.

Docket No. SW-01303A-09-0343

## NOTICE OF FILING

The Residential Utility Consumer Office ("RUCO") hereby provides notice of filing the  
testimony summary of Robert B. Mease, in the above-referenced matter.

1 RESPECTFULLY SUBMITTED this 10th day of November, 2014.

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3   
4 Daniel W. Pozefsky  
Chief Counsel

5  
6 AN ORIGINAL AND THIRTEEN COPIES  
7 of the foregoing filed this 10th day  
of November, 2014 with:

8 Docket Control  
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By *Cheryl Fraulob*  
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**EPCOR WATER ARIZONA, INC.**

**DOCKET NOS. W-01303A-09-0343 and SW-01303A-09-0343**

**SUMMARY OF THE DIRECT AND SURREBUTTAL TESTIMONY OF ROBERT B.  
MEASE ON BEHALF OF THE RESIDENTIAL UTILITY CONSUMER OFFICE**

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Mr. Robert Mease, RUCO's Chief of Accounting and Rates, is presenting testimony on EPCOR Water Arizona's request for full consolidation of its five wastewater systems. The Company believes that rate consolidation can be achieved for the Company's five wastewater districts without filing a rate case application. As presented in both its direct and surrebuttal testimonies, RUCO does not believe that a decision to consolidate the five districts can be rendered without a full rate case filing. The current revenue requirements and rate design for the Agua Fria, Anthem, Sun City and Sun City West districts were based on a test year ending December 31, 2008. RUCO testifies that many of the rate case elements have changed since the 2008 test year and by using "stale" data could lead to decisions that are not in the best interest of the ratepayers. RUCO's recommendation to file a complete rate case, including cost of service studies for each of the districts included in the Company's request, and submitting its application identifying both a consolidation and standalone basis, will give all parties to this docket a current and complete opportunity to make an informed decision.

RUCO further recommends that the Mohave Wastewater District be removed from EPCOR's current filing under Docket No. WS-01301A-14-0010 and be included in the rate case filing that is now being proposed by RUCO. Finally, Mr. Mease is recommending that the issue be resolved with the City of Phoenix prior to filing its rate

case application and that a Plan of Administration be developed that will address any additional acquisitions made by the Company and will also address how the rates will be adjusted for any major expansion projects.